

## Message Text

UNCLASSIFIED

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12

ACTION L-03

INFO OCT-01 ARA-10 ISO-00 FBOE-00 A-01 /015 W

----- 005978

R 082103Z AUG 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 2219

UNCLAS BUENOS AIRES 5378

FOR BURMAN, L/M AND HOLMES, FBO

E.O. 11652: N/A

TAGS: ABLD, AR

SUBJECT: PROJECT EOBBB, CONTRACT NO. 3102-212008,  
PROPERTY NO. 05102

REF: STATE 185977

1. FOLLOWING IS TEXT OF LETTER AS DELIVERED TO  
GREGORIO CHODOS, PRESIDENT OF SITRA, BY DEPUTY  
CHIEF OF MISSION AUGUST 8, 1975. CHODOS ACKNOWLEDGED  
RECEIPT ON COPY RETAINED BY EMBASSY.

QUOTE:

DEAR SR. CHODOS:

THE EMBASSY IS PLEASED TO INFORM YOU THAT IT IS AUTHORI-  
ZED TO EFFECT PAYMENT IN THE AMOUNT OF U\$S 215,208.66  
REPRESENTING AEDITIONAL ESCALATION PAYMENTS FOR THE PERIOD  
AUGUST 1974 THROUGH APRIL 1975 BASED ON THE NEW BHN INDEX,  
THE ENTIRE ESCALATION PAYMENTS FOR MAY AND JUNE 1975  
BASED ON THE NEW BHN INDEX, AND THE REGULA  
NON-ESCALATED  
PAYMENTS FOR THE PERIOD OF MAY AND JUNE 1975.

PLEASE BE ADVISED THAT THE WORKS NOT HAVING BEEN COMPLETED  
BY JUNE 30, 1975, THE UNITED STATES GOVERNMENT RE-  
SERVES THE RIGHT TO ASSESS LIQUIDATION DAMAGES UNDER  
THE CONTRACT, AS NOW DUE OR ACCRUING IN THE FUTURE,  
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PENDING RECEIPT OF SUFFICIENT AND SATISFACTORY INFORMATION

CONCERNING THE DELAY IN PERFORMANCE.

THIS PAYMENT DOES NOT IMPAIR THE RIGHT OF THE UNITED STATES GOVERNMENT TO EFFECT THE AUDIT STIPULATED IN AMENDMENT NO. 3. THE GOVERNMENT REAFFIRMS THAT THE PURPOSE OF AMENDMENT NO. 3 WAE AND IS FOR THE GOVERNMENT TO CONSIDER WHETHER, WITH REGARD TO FUTURE ESCALATION PAYMENTS, IF ANY, UNDER THE CONTRACT, A LEGAL BASIS EXISTS FOR THE RENEGOTIATION OF THE CONTRACT TERMS TO SUBSTITUTE THE BHN OR OTHER INDEX FOR THE INDEC INDEX. THE CONTINUATION OF AUDIT EFFORTS SHALL NOT ITSELF IMPLY A MODIFICATION OF ANY TERMS OF THE CONTRACT, NOR AN EXTENSION OF TIME TO PERFORM, NOR OTHERWISE WAIVE ANY RIGHTS OR REMEDIES AVAILABLE TO THE GOVERNMENT.

THE EMBASSY EXPECTS THAT SITRA WILL COMPLY WITH ALL REQUEST OF PRICE-WATERHOUSE, WHICH IS ACTING FOR THE UNITED STATES GOVERNMENT, SOLICITING INFORMATION OR ACCESS TO RECORDS PERTAINING TO THE CONTRACT.

THE PAYMENT IN UNITED STATES' DOLLAR NEITHER INSTITUTES A PRECEDENT NOR CHANGES THE POSITION OF THE DEPARTMENT OF STATE THAT THERE WAS NO AGREEMENT TO MAKE PAYMENTS SUBSEQUENT TO APRIL 1975 IN UNITED STATES' DOLLARS.

ORIGINAL RECEIVED:      SINCERELY YOURS,  
   (SIGNED)

-----      JOSEPH J. MONTLLOR

GREGORIO CHODOS      MINISTER-COUNSELOR

UNQUOTE

2. CHODOS SAID HE WOULD SOON SUBMIT A REPLY TO THE EMBASSY.  
HILL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1975BUENOS05378  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ACTION L  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 75 STATE 185977  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ellisoob  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 DEC 2002  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROJECT EOBBB, CONTRACT NO. 3102-212008, PROPERTY NO. 05102  
**TAGS:** ABLD, AR  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006